

FISCAL NOTE

SB 2550 - HB 2983

March 2, 2002

SUMMARY OF BILL: Requires the state to make full payment to health care providers who are not fully compensated for care provided to TennCare enrollees by an insolvent health insurer, HMO, PPO, or other entity under contract with TennCare.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - There is no immediate impact; however, any future occurrence would increase state expenditures significantly. To the extent that TennCare MCOs became insolvent in the future and providers went unpaid, the state would be required to make such payments. The amount of increased state expenditures cannot be determined but is estimated to exceed \$1,000,000 in the event of such an occurrence.

Initial unpaid provider charges are estimated at more than \$100,000,000 in the Access MedPlus and Xantus insolvency cases. Assumes that any such incidents in the future would be of a similar magnitude.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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